

Mr. A. D. Simpson, III  
East Tennessee Natural  
Gas Company  
P. O. Box 2511  
Houston, Texas 77001

Dear Mr. Simpson:

By letter of May 17, 1978, you requested our opinion on whether 49 CFR 192.625(b)(1) and (2) requires East Tennessee to odorize that portion of its Kingsport Lateral System that is used to deliver gas to the General Shale Corporation.

As shown on Exhibit A to your May 17 letter, the Kingsport Lateral System consists of an arrangement of interlocking pipelines from East Tennessee's 3300 line. That portion of the System serving General Shale consists of the Kingsport Lateral, about 2,642 feet of the Mead Corporation Lateral, and the General Shale Lateral.

To answer you correctly, we asked for an explanation of East Tennessee's basis for classifying that portion of the System serving General Shale as a "transmission line" under Part 192. This information was provided by your letter of June 9, 1978.

You have made at least three separate arguments: First, you point out that under the industry code in effect before the adoption of 49 CFR Part 192 (the ANSI B31.8 Code), a "transmission line" was defined as " 'pipe installed for the purpose of transmitting gas from a source or sources of supply to one or more distribution centers or to one or more large volume customers...' " Because of the volume being delivered to General Shale (4196 Mcf/d), presumably we are to conclude that the pipeline involved is a transmission line under the ANSI definition. Regardless of such a conclusion, however, the term "transmission line" is defined in Part 192 (§192.3), and it is that definition that we must look to first in determining which gas pipelines are subject to Part 192 standards that apply to transmission lines. Only if the "transmission line" definition is considered ambiguous in any respect would we look for clarifying information in background documents such as the B31.8 Code.

Your next argument relates to the statutory definition of the term "interstate transmission facilities." You state that all East Tennessee's facilities fall within that statutory definition and, therefore, are by implication "transmission pipelines." Notwithstanding this implication, the term "transmission line" in Part 192 is not defined in terms which relate to an "interstate transmission facility." Therefore, it cannot be correctly concluded that if a pipeline fits the statutory definition

of "interstate transmission facility," it is consequently a "transmission line" under Part 192. Further, while we disagree with your interpretation of the 1976 amendment to the statutory definition of "interstate transmission facility," we concur with your view that there is no relation between that amendment and the classification of pipelines as "transmission lines" under Part 192.

Your last argument relates to the definition of the term "transmission line" in Section 192.3. Under Section 192.3, if a gas pipeline which is not a gathering line (1) either transports gas from a gathering line or storage facility to a distribution center or storage facility,(2) operates at 20 percent or more of SMYS, or (3) transports gas within a storage field, it is a "transmission line." Otherwise it is a "distribution line." Considering all the information presented (including the excerpted Technical Pipeline Safety Standards Committee transcript), it appears that by this definition, that portion of the Kingsport Lateral System used to deliver gas to the General Shale Corporation would be a transmission line in its entirety only if the point of delivery qualifies as a "distribution center." Since this latter term is not defined, it must be interpreted in light of its ordinary meaning and usage in the industry.

You have argued that the point of delivery to General Shale is a "distribution center" because the downstream piping is "a distribution network which delivers gas to the various points of utilization in the General Shale plant." We are not persuaded, however, that the natural gas transmission industry commonly refers to a point of delivery to an industrial customer as a "distribution center." The word "distribution" itself has a plural connotation, and the ANSI definition of "transmission line" which you cited distinguishes "distribution centers" from "large volume customers."

We have not found a written definition of the term "distribution center" in ANSI B31.8 or in other relevant background material. Nevertheless, we believe that the term commonly refers to that point where gas enters piping used primarily to deliver gas to customers who purchase it for consumption as opposed to customers who purchase it for resale. In this sense, the connection of the Kingsport Lateral with the 3300 Line is a "distribution center," and the downstream piping comprises either mains or service lines which must be odorized under the requirements of Section 192.625(a).

We recognize that under this interpretation, the lines serving General Shale have a different classification than existed under ANSI B31.8 prior to the adoption of Part 192. However, we have no reason to believe that the Part 192 definition of "transmission line" - inasmuch as it deletes the reference to large volume customers contained in the ANSI definition - was not intended to alter prior classifications. Indeed, just the opposite seems true, as indicated by the preamble to Part 192 where it is stated with respect to Section 192.3, "We have defined those terms which are being used in a different sense than the commonly understood meaning."

Sincerely,  
Cesar De Leon

Associate Director for  
Pipeline Safety Regulation  
Materials Transportation Bureau